A BILL TO REPEAL THE MYSORE COTTON DUTIES REGULATION OF 1896 AND TO PROVIDE FOR THE REGULAR SUBMISSION OF RETURNS OF QUANTITIES OF COTTON GOODS MANUFACTURED AND COTTON YARN SPUN IN MYSORE.

Whereas it is expedient to repeal the Mysore Cotton Duties Regulation, II of 1896, and notwithstanding such repeal, to provide for the regular submission of returns of the quantities of cotton goods manufactured and cotton yarn spun in Mysore: it is hereby enacted as follows:—

Short title and extent.

1. (1) This Regulation may be called the Cotton Duties Repeal and Cotton Industry (Statistics) Regulation of 1926.

(2) It extends to the whole of Mysore and shall come into force on..... .....

Repeal of Cotton Duties Regulation.

2. The Mysore Cotton Duties Regulation, II of 1896, is hereby repealed.

Definitions.

3. For the purpose of this Regulation, unless there is anything repugnant in the subject or context,—

(*a*) "cotton goods" or "goods" includes all tissues and other articles (except yarn and thread) woven, knitted or otherwise manufactured wholly or partly from cotton yarn;

(*b*) "cotton yarn" or "yarn" means yarn wholly or partly composed of cotton fibres;

(*c*) "mill", means any building or place where cotton goods are woven, knitted or otherwise manufactured, or where cotton yarn is spun, by machinery moved otherwise than by manual labour, and includes every part of such building or place;

(*d*) "owner", in relation to any mill, includes the managing agent or other principal officer of the mill; and

(*e*) "prescribed" means prescribed by rules made under this Regulation.

Delivery of monthly returns of goods and yarn manufactured by mill owners

4. (1) The owner of every mill shall each month prepare and deliver, or cause to be prepared or delivered, to the prescribed officer a return of all cotton goods manufactured and all cotton yarn spun in the mill during the preceding month by machinery moved otherwise than by manual labour, and shall subscribe a declaration of the truth of the return at the foot thereof.

(2) Save as may be otherwise prescribed, every such return shall state, in respect of each description of goods and of yarn, the quantity manufactured during the period to which the return relates, and shall contain such further information, and be in such form and be subject to such conditions as to verification and otherwise, as may be prescribed.

(3) Every such return shall be delivered to the prescribed officer or posted to his address within seven days after the end of the month to which it relates.

Power to inspect mills and take copies of

5. (1) Any officer authorised by the Government by order in writing in this behalf shall have free access at all

may at any time, with or without notice to the owner, examine and take copies of, or extracts from, the records of the mill for the purpose of testing the accuracy of any return made under Section 4, or of informing himself as to any particulars regarding which information is required for the purposes of this Regulation or any rules made thereunder:

Provided that no officer not specially empowered by the Government in this behalf shall be entitled to inspect any record containing the description or formulae of any trade process.

(2) All copies and extracts and all information acquired by any officer in the inspection of any mill under this section shall be treated as strictly confidential.

Publication of returns.

6. The Government shall from the returns delivered under Section 4, cause to be compiled and published in such form as they may direct, statements showing for each month the total quantities of goods manufactured and of yarn spun in mills in Mysore State.

Power to make rules.

7. (1) The Government may, by notification in the *Mysore Gazette*, make rules consistent with this Regulation to carry out the purposes thereof.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

(*a*) The form of any return required under this Regulation, the particulars to be contained therein, and the manner in which the return shall be verified;

(*b*) the nature of the records to be maintained by the owners of mills;

(*c*) the powers and duties, in regard to inspection of mills under this Regulation, of the officers authorised to make such inspection; and

(*d*) any other matter which may be or is to be prescribed.

Penalties.

8. (1) Any person who:—

(*a*) knowingly falsifies any record of manufacture or production kept in a mill, or

(*b*) being required to deliver a return under Section 4, knowingly delivers a false return, or

(*c*) omits to make any return required by Section 4, or refuses to sign or complete the same, or

(*d*) knowingly does any act, not otherwise punishable under this Regulation, in contravention of the provisions of any rule made under this Regulation, shall be punishable with fine which may extend to five hundred rupees.

(2) Any person who discloses any particulars or other information acquired by him in the inspection of any mill under this Regulation shall be punishable with fine which may extend to one thousand rupees;

Provided that nothing in this sub-section shall apply to the disclosure,

(*a*) of any such particulars or information for the purpose of a prosecution under Section 193 of the Indian Penal Code or under this Regulation in respect of any return kept or record made for the purposes of this Regulation, or

(*b*) of any such particulars or information to any person acting in the execution of any duty imposed upon him by this Regulation where the disclosure is necessary for the purposes of this Regulation.

Exemption.

9. The Government may, by notification in the *Mysore Gazette*, exempt from the operation of this Regulation or of any specified provision thereof any mill or class of mills, or any goods or class of goods, specified in the notification.

Protection for acts done under this Regulation.

10. No suit or other legal proceeding shall be instituted against any person in respect of anything which is in good faith done or intended to be done under this Regulation.

STATEMENT OF OBJECTS AND REASONS.

The Government of India suspended for a period of 3 months with effect from 1st December 1925 by an Ordinance, the levy and collection of the duty under the Cotton Duties Act of 1896 and have since finally abolished this duty in the Indian Finance Act, 1926.

2. In order not to place the cotton mill industry in Mysore at a disadvantage as compared to the industry in British India, the Government of His Highness the Maharaja have also suspended by Emergency Regulation, I of 1926, for a period of 6 months the levy and collection of the said duty on goods produced from the 1st of April 1926 and it is now proposed to abolish it altogether from the date the said Emergency Regulation ceases to have force.

3. The Cotton Duties Regulation, II of 1896, provides in addition to the collection of the duty for the submission of returns of the quantities of cotton goods produced in the mills in the State. These statistics of production are being compiled now and have proved of great assistance in studying the development and vicissitudes of the industry. It is proposed to continue these statistics by including in this measure provision for the compulsory preparation and submission of required returns.